

OMAHA
FORBEARANCE
ORDER
FRAMEWORK AND
REQUIREMENTS

SHOWING MADE BY
VERIZON IN 6-MSA
FORBEARANCE
DOCKET

(WC Docket No. 06-172)

RECORD EVIDENCE
IN VERIZON 6-MSA
FORBEARANCE
DOCKET

(WC Docket No. 06-172)

Multiple Competitors:

Petitioning party must show separately for each product and geographic market that there are multiple facilities-based competitive carriers providing substitutable local telecom services to end users in each wire center.

Verizon has produced no data for each product and geographic market showing service by multiple facilities-based competitive carriers. Verizon's "evidence" of competition is limited to E911 database-derived line counts and MSA-level lit building circuit counts for selective individual competitive carriers.¹⁴

generally half or less than those found in Omaha.¹¹

- Cable facilities cannot routinely be used to serve enterprise customers.¹²
- Competitive carriers today serve a miniscule number (and percentage) of end-user locations via their own fiber facilities (including last-mile facilities) in any given wire center within the 6 MSAs at issue.¹³

Sustainable competition by multiple facilities-based carriers does not exist today in any product or geographic market. The record shows:

In the mass market --

- Cable companies compete but have not achieved close to the market penetration that Cox enjoyed in Omaha.¹⁵
- No other competitive carriers provide mass market service using their own local loop facilities.¹⁶

In the enterprise market --

- Cable companies are unable today to use their own facilities to offer the types of

**OMAHA
FORBEARANCE
ORDER
FRAMEWORK AND
REQUIREMENTS**

**SHOWING MADE BY
VERIZON IN 6-MSA
FORBEARANCE
DOCKET
(WC Docket No. 06-172)**

**RECORD EVIDENCE
IN VERIZON 6-MSA
FORBEARANCE
DOCKET
(WC Docket No. 06-172)**

Wholesale Market Incentives: Petitioning party must show that in the absence of a Section 251 unbundling requirement, it would have the incentive and ability to make attractive wholesale offerings available to competitors who do not have their own last-mile facilities.

Verizon asks the Commission to trust that it will make its loop and transport facilities available on a wholesale basis at just and reasonable and non-discriminatory rates and terms if forbearance is granted.¹⁹

Verizon points to Wholesale Advantage agreements for UNE (i.e., local switching) replacement facilities as evidence it will "do the right thing."²⁰

services required by most enterprise businesses.¹⁷

- * Non-cable competitors today serve a miniscule percentage of enterprise customers via their own facilities (including last-mile facilities) in any given wire center within the 6 MSAs at issue.¹⁸

The record is replete with evidence from Omaha that the Commission cannot rely on a prediction that post-forbearance Verizon will treat competitors that require access to its loops and transport fairly.²¹ No such commercially-reasonable wholesale deal was offered in Omaha.²² As a result, McLeodUSA intends to withdraw from that market, and Integra will not enter.²³

Verizon's Wholesale Advantage agreements do not provide CLECs with an economically-viable opportunity to compete.²⁴

Verizon has been unwilling to make a DS0 loop replacement product available to CLECs.²⁵

Verizon represents that its special access services will be

OM 404
FORBEARANCE
ORDER
FRAMEWORK AND
REQUIREMENTS

SHOWING MADE BY
VERIZON IN 6-MSA
FORBEARANCE
DOCKET
(WC Docket No. 06-172)

RECORD EVIDENCE
IN VERIZON 6-MSA
FORBEARANCE
DOCKET
(WC Docket No. 06-172)

Special Access Usage: Use of Verizon's special access services by competitors is only relevant to the Commission's forbearance analysis once it has been determined for each product and geographic market that multiple competitors have the required facilities coverage and have achieved considerable market share.

Verizon has submitted special access demand and revenue data in an effort to show that competition would be preserved even if CLECs could not access loop and transport UNEs and could only obtain Verizon's special access services.²⁷

appropriate DS1 and DS3 loop and transport replacements. The record here and in WC Doc. No. 05-25 shows that the special access market is not competitive and that Verizon is earning supracompetitive rates-of-return on its special access products.²⁶

The record evidence is that Verizon's data:

- Is not relevant because the threshold requirements of facilities coverage and market penetration have not been met.²⁸
- Is unreliable and misleading because Verizon:
 - Fails to include only special access used to provide local telecom service.²⁹
 - Fails to identify special access that CLECs are forced to use because they are unable to access UNEs.³⁰
 - Presents its data based on VGE capacity rather than number of circuits or customers served.³¹

**OMAHA
FORBEARANCE
ORDER
FRAMEWORK AND
REQUIREMENTS**

**SHOWING MADE BY
VERIZON IN 6-MSA
FORBEARANCE
DOCKET
(WC Docket No. 06-172)**

**RECORD EVIDENCE
IN VERIZON 6-MSA
FORBEARANCE
DOCKET
(WC Docket No. 06-172)**

¹ *In the Matter of Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Boston Metropolitan Statistical Area*, WC Docket No. 06-172, Petition of the Verizon Telephone Companies for Forbearance ("Boston Petition"), Declaration of Quintin Lew, Judy Verses and Patrick Garzillo Regarding Competition in the Boston Metropolitan Statistical Area, Exhibits 5, 6 (filed Sept. 6, 2006) ("Boston Declaration"); *In the Matter of Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the New York Metropolitan Statistical Area*, WC Docket No. 06-172, Petition of the Verizon Telephone Companies for Forbearance ("New York Petition"), Declaration of Quintin Lew, Judy Verses and Patrick Garzillo Regarding Competition in the New York Metropolitan Statistical Area, Exhibits 5, 6 (filed Sept. 6, 2006) ("New York Declaration"); *In the Matter of Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Philadelphia Metropolitan Statistical Area*, WC Docket No. 06-172, Petition of the Verizon Telephone Companies for Forbearance ("Philadelphia Petition"), Declaration of Quintin Lew, Judy Verses and Patrick Garzillo Regarding Competition in the Philadelphia Metropolitan Statistical Area, Exhibits 5, 6 (filed Sept. 6, 2006) ("Philadelphia Declaration"); *In the Matter of Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Pittsburgh Metropolitan Statistical Area*, WC Docket No. 06-172, Petition of the Verizon Telephone Companies for Forbearance ("Pittsburgh Petition"), Declaration of Quintin Lew, Judy Verses and Patrick Garzillo Regarding Competition in the Pittsburgh Metropolitan Statistical Area, Exhibits 5, 6 (filed Sept. 6, 2006) ("Pittsburgh Declaration"); *In the Matter of Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Providence Metropolitan Statistical Area*, WC Docket No. 06-172, Petition of the Verizon Telephone Companies for Forbearance ("Providence Petition"), Declaration of Quintin Lew, Judy Verses and Patrick Garzillo Regarding Competition in the Providence Metropolitan Statistical Area, Exhibits 5, 6 (filed Sept. 6, 2006) ("Providence Declaration"); *In the Matter of Petition of the Verizon Telephone Companies for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Virginia Beach Metropolitan Statistical Area*, WC Docket No. 06-172, Petition of the Verizon Telephone Companies for Forbearance ("Virginia Beach Petition"), Declaration of Quintin Lew, Judy Verses and Patrick Garzillo Regarding Competition in the Virginia Beach Metropolitan Statistical Area, Exhibits 5, 6 (filed Sept. 6, 2006) ("Virginia Beach Declaration").

² See Opposition of Time Warner Telecom Inc., Cbeyond Inc., and One Communications Corp., WC Docket No. 06-172 (filed Mar. 5, 2007) ("TWTC et al. Opposition"), at 43-45.

³ *Ex Parte* Letter from John J. Heitmann, Counsel to XO Communications, LLC to Marlene H. Dortch, Secretary, Federal Communications Commission (Oct. 30, 2007) at 10 (Table 7) ("XO's Supplemental Data on Commercial Lit Buildings"); *Ex Parte* Letter from Brad E. Mutschelknaus, Counsel to Covad Communications Group, NuVox Communications and XO Communications, LLC to Marlene H. Dortch, Secretary, Federal Communications Commission (Nov. 5, 2007) at 7-8 ("XO's Supplemental Data on Loop Based Competition").

⁴ *Id.*, at 10, n. 11 (citing Declaration of Ajay Govil on Behalf of XO Communications, LLC, in WC Docket No. 05-25 and RM-10593). See also TWTC et al. Opposition, at 17, 20-21, 22.

- 5 Reply Comments of the Verizon Telephone Companies ("Verizon Reply Comments"), Reply Declaration
of Quintin Lew, John Wimsatt and Patrick Garzillo, WC Docket No. 06-172 ("Verizon Reply Declaration")
(filed Apr. 18, 2007), at Exhibit 9.
- 6 Comments of Covad Communications Group, NuVox Communications and XO Communications, LLC,
WC Docket No. 06-172 (filed Mar. 5, 2007) ("XO et al. Comments"), at 47-49; XO's Supplemental Data
on Commercial Lit Buildings; TWTC et al. Opposition, at 44-45.
- 7 Verizon Reply Declaration, at Exhibits 1.A-1.F, 2, 4, 9.
- 8 Comments of Cox Communications, Inc., WC Docket No. 06-172 (filed Mar. 5, 2007) ("Cox Comments"),
at 27, 32; XO et al. Comments, at 12-14, Exhibit 1 (Declaration of Joseph Gillan) and Exhibit 2
(Declaration of Lisa R. Youngers); *Ex Parte* Letter from Joint CLECs to Marlene H. Dortch, Secretary,
Federal Communications Commission (Sept. 4, 2007), at 13-21 and Supplemental Declaration of Joseph
Gillan ("Joint CLECs' Comments on E911 Data"); *Ex Parte* Presentation of Covad Communications
Group, NuVox Communications and XO Communications, LLC, WC Docket No. 06-172 (filed Sept. 21,
2007), at 8; XO's Supplemental Data on Loop Based Competition, at 2-7.
- 9 *Id.*
- 10 Comments of Comcast Corporation, WC Docket No. 06-172 (filed Mar. 5, 2007) ("Comcast Comments"),
at 4; Cox Comments, at 25, 31; Opposition of Charter Communications, Inc., WC Docket No. 06-172 (filed
Apr. 18, 2007) ("Charter Opposition"), at 4-5; Comments of Time Warner Cable, WC Docket No. 06-172
(filed Mar. 5, 2007) ("TWC Comments"), at 12; TWTC et al. Opposition, at 15-17; *Ex Parte* Letter from
Philip J. Macres, Counsel to RCN Telecom Services, Inc. to Marlene H. Dortch, Secretary, Federal
Communications Commission (Oct. 9, 2007) (transmitting data requested by Commission Staff) ("RCN
Data *Ex Parte*"); *Ex Parte* Letter from Brian W. Murray, Counsel to Time Warner Cable, to Marlene H.
Dortch, Secretary, Federal Communications Commission (Oct. 9, 2007) (transmitting data requested by
Commission Staff) ("TWC Data *Ex Parte*").
- 11 Charter Opposition, at 4-5; Comcast Comments, at 4; Cox Comments, at 25-26, 27, 32; TWC Comments,
at 4-5; Reply Comments of Covad Communications Group, NuVox Communications, and XO
Communications, LLC (filed Apr. 18, 2007) ("XO et al. Reply Comments"), at 13-14; RCN Data *Ex Parte*;
TWC Data *Ex Parte*; XO's Supplemental Data on Loop-Based Competition, at 5-7.
- 12 *Ex Parte* Letter from Genevieve Morelli, Counsel to Covad Communications Group, NuVox
Communications and XO Communications, LLC to Marlene H. Dortch, Secretary, Federal
Communications Commission (Oct. 25, 2007) (transmitting comments of the Department of Defense and
the Federal Executive Agencies in proceedings before the New York Public Service Commission and
Virginia State Corporation Commission) ("DOD/FEA Submissions"); *see also* Comments in Opposition of
ACN Communications Services, Inc., et al. (filed Mar. 5, 2007) ("ACN et al. Opposition"), at 27; Comcast
Comments, at 4-5; Cox Comments, at 27-28; TWC Comments, at 19-21; TWTC et al. Opposition, at 38-47;
XO et al. Reply Comments, at 13-17.
- 13 *See* XO's Supplemental Data on Loop-Based Competition, at 5-8.
- 14 *See infra*, at n. 7.
- 15 Charter Opposition, at 4-5; Comcast Comments, at 4; Cox Comments, at 25-26, 31-32; XO et al. Reply
Comments, at 13-14; RCN Data *Ex Parte*; TWC Data *Ex Parte*; XO's Supplemental Data on Loop-Based
Competition, at 5-7.
- 16 Cox Comments, at 26-27; *see also* Charter Comments, at 3-4; Comcast Comments, at 3-4; XO's
Supplemental Data on Loop-Based Competition.

-
- ¹⁷ DOD/FEA Submissions; *see also* ACN et al. Opposition, at 27; Comcast Comments, at 4-5; Cox Comments, at 27-28; TWC Comments, at 19-21; TWTC et al. Opposition, at 38-47; XO et al. Reply Comments, at 13-17.
- ¹⁸ Joint CLECs' Comments on E911 Data, at 9-11; XO et al. Comments, at 47-49; XO's Supplemental Data on Commercial Lit Buildings; TWTC et al. Opposition, at 44-45.
- ¹⁹ *See* Boston Petition, at 14-15; New York Petition, at 14-15; Philadelphia Petition, at 14-16; Pittsburgh Petition, at 14-15; Providence Petition, at 13-14; Virginia Beach Petition, at 13-15; *see also* Verizon Reply Comments, at 32 and Reply Declaration, at ¶ 51.
- ²⁰ *Id.*
- ²¹ Letter from Philip J. Macres, Bingham, Counsel to Alpheus Communications, L.P. et al. to Marlene H. Dortch, Secretary, Federal Communications Commission (Jul. 10, 2007), at 4-14 ("Ex Parte Letter on Loop Unbundling"); Joint CLECs' Comments on E911 Data; *see also* ACN et al. Comments, at 34-35; Opposition of Cavalier Telephone Subsidiaries to Verizon's Petitions for Forbearance (filed Mar. 5, 2007), at 12; Comments of the City of Philadelphia (filed Mar. 5, 2007), at 25; Opposition of Monmouth Telephone & Telegraph, Inc. (filed Mar. 5, 2007), at 12; Sprint Nextel's Opposition to Petitions for Forbearance (filed Mar. 5, 2007), at 17-18; Telecom Investors' Opposition (filed Mar. 5, 2007), at 3; XO et al. Comments, at 52-53, 54; XO et al. Reply Comments, at 8-9, 20-22.
- ²² *Ex Parte* Letter on Loop Unbundling, at 4-6 (footnotes omitted); XO et al. Comments, at 54.
- ²³ Joint CLECs' Comments on E911 Data, at 10-11 (citing *In the Matter of Qwest Corporation Petition for Forbearance Pursuant to 47 U.S.C. § 160(c) in the Omaha Metropolitan Statistical Area*, WC Docket No. 04-223, Petition for Modification of McLeodUSA Telecommunications Services, Inc., (filed Jul. 23, 2007)); Comments of Integra Telecom, Inc. (filed Mar. 5, 2007), at 4. *See also* XO et al. Comments, at 54 (citing Letter from Chris McFarland, Group Vice President, McLeodUSA to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 05-281 (Dec. 15, 2006)).
- ²⁴ ACN et al. Comments, at 33; XO et al. Comments, at 52; XO et al. Reply Comments, at 8-9.
- ²⁵ *Ex Parte* Letter on Loop Unbundling, at 6-7 (footnotes omitted).
- ²⁶ Joint CLECs' Comments on E911 Data, at 21-28; *see also*, ACN et al. Comments, at 39; XO et al. Comments, at 55-58; TWTC et al. Comments, at 31-32.
- ²⁷ *See* Verizon Reply Declaration, at Exhibits 5, 6, 7 and 10.
- ²⁸ Joint CLECs' Comments on E911 Data, at 21-28.
- ²⁹ *Id.*, at 22-23.
- ³⁰ *Id.*, at 23.
- ³¹ *Id.* 23-24.

AGREEMENT EXCERPTS

**RATES NEGOTIATED BETWEEN VERIZON
AND AT&T FOR THE LEASE OF DSO LOOP
FACILITIES IN DELAWARE,
MASSACHUSETTS, NEW HAMPSHIRE, NEW
JERSEY, NEW YORK, PENNSYLVANIA,
RHODE ISLAND AND VIRGINIA**

**[Excerpts from Attachment 2 to Amendment
2 of negotiated agreement for
interconnection between Verizon and AT&T]**

Attachment 2 to Amendment to Interconnection Agreements

Terms and Conditions

- A. From the Effective Date through May 31, 2008, Verizon shall bill, and AT&T shall pay, the monthly recurring DS0 loop charges set forth in Appendix A to this Attachment 2, which charges shall replace the monthly recurring DS0 loop charges previously set forth in the Agreement for the same loop types in the same service territories. Appendix A to this Attachment 2 may contain rates and charges for (and/or reference) services, facilities, arrangements and the like that Verizon does not have an obligation to provide under the Agreement (e.g., services, facilities, arrangements and the like for which an unbundling requirement does not exist under 47 U.S.C. Section 251(c)(3)). Notwithstanding any such rates and/or charges (and/or references) and, for the avoidance of any doubt, nothing in this Amendment shall be deemed to require Verizon to provide such a service, facility, arrangement or the like that the Agreement does not otherwise require Verizon to provide, or to provide such a service, facility, arrangement or the like upon terms or conditions other than those that may be required by the Agreement.
- B. From the Effective Date through May 31, 2008, the discount rates applicable to the services that Verizon is required to make available to AT&T for resale pursuant to the Interconnection Agreements or Applicable Law shall be those discount rates set forth in Appendix B to this Attachment 2, notwithstanding any other resale discount rates that may go into effect in a particular state, whether by virtue of a change of law or pursuant to a tariff filed by Verizon. For the avoidance of doubt, this Amendment does not affect which services Verizon is obligated to provide to AT&T for resale under the Interconnection Agreements or Applicable Law, but only the discount rate at which Verizon makes any such resale service available under Section 251(c)(4) of the Act.
- C. Notwithstanding any other provision of the Interconnection Agreements, this Amendment, any applicable tariff or SGAT, or otherwise, the terms contained herein shall govern the relationship of the Parties with respect to the subject matter set forth herein, through May 31, 2008, and thereafter as well until such time as such terms are superseded by a subsequent Interconnection Agreement or Interconnection Agreement amendment effective after May 31, 2008. In case of the expiration or termination of an Interconnection Agreement prior to May 31, 2008, the terms contained herein shall nevertheless continue to remain in effect through May 31, 2008 and thereafter until such time as such terms are superseded by a subsequent Interconnection Agreement effective after May 31, 2008.

2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1B - \$11.31/Month
---------------------------------	--

Unbundled Loops – District of Columbia

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.00/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$17.52/Month
Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.00/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$17.52/Month

Unbundled Loops – Delaware

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.00/Month 2 - \$13.13/Month 3 - \$16.67/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$11.68/Month 2 - \$14.70/Month 3 - \$18.21/Month
Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$13.13/Month 3 - \$16.67/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$11.68/Month 2 - \$14.70/Month 3 - \$18.21/Month

Unbundled Loops – Massachusetts

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.00/Month 2 - \$11.37/Month 3 - \$15.41/Month 4 - \$24.32/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$13.30/Month 2 - \$12.93/Month 3 - \$17.96/Month 4 - \$29.50/Month
Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.37/Month 3 - \$15.41/Month 4 - \$24.32/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.37/Month 3 - \$15.41/Month 4 - \$24.32/Month

Unbundled Loops – Maryland

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Rate Group</u> A1 - \$11.00/Month A2 - \$11.00/Month B1 - \$21.92/Month B2 - \$14.45/Month
ISDN BRI Loop	<u>Rate Group</u> A1 - \$12.38/Month A2 - \$12.62/Month B1 - \$24.20/Month B2 - \$16.73/Month

Unbundled Loops – Michigan

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$23.98/Month
2 Wire Digital Loop	<u>Density Cell:</u> 1 - \$23.98/Month

Unbundled Loops – Nevada

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$27.41/Month
2 Wire Digital Loop	<u>Density Cell:</u> 1 - \$27.41/Month
2-Wire Channelized Additional Cost of Unbundling	<u>Density Cell:</u> 1 - \$12.45/Month
ISDN-BRI Loop	<u>Density Cell</u> 1 - \$59.77/Month
ISDN-BRI Channelized Additional Cost of Unbundling	<u>Density Cell:</u> 1 - \$36.50/Month
ADSL High Capacity Loop	<u>Density Cell:</u> 1 - \$75.22/Month

Unbundled Loops – New Hampshire

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.97/Month 2 - \$16.04/Month 3 - \$25.00/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$31.63/Month 2 - \$33.41/Month 3 - \$63.74/Month

Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.97/Month 2 - \$16.04/Month 3 - \$25.00/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$11.97/Month 2 - \$16.04/Month 3 - \$25.00/Month

Unbundled Loops – New Jersey

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$11.82/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$12.13/Month 2 - \$13.74/Month 3 - \$15.14/Month
Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$11.82/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$11.82/Month

Unbundled Loops – New York

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1A - \$11.00/Month 1B - \$11.31/Month 2 - \$15.51/Month

ISDN BRI Loop	<u>Density Cell:</u> 1A - \$11.93/Month 1B - \$16.70/Month 2 - \$22.70/Month
Customer Specified Signaling - 2-Wire Ground Start	<u>Density Cell:</u> 1A - \$11.00/Month 1B - \$14.21/Month 2 - \$18.42/Month
Customer Specified Signaling - 2-Wire Reverse Battery	1A - \$12.47/Month 1B - \$16.04/Month 2 - \$20.25/Month
Customer Specified Signaling - 2-Wire EBS	1A - \$23.98/Month 1B - \$27.47/Month 2 - \$31.72/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1A - \$11.00/Month 1B - \$11.31/Month 2 - \$15.51/Month

Unbundled Loops – North Carolina

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$19.68/Month 2 - \$38.12/Month 3 - \$49.31/Month
ISDN-BRI Loop	<u>Density Cell:</u> 1 - \$42.92/Month 2 - \$83.13/Month 3 - \$107.51/Month
2 Wire ADSL/IDSL/SDSL Loop	<u>Density Cell</u> 1 - \$54.02/Month 2 - \$104.62/Month 3 - \$135.31/Month

2 Wire HDSL Loop	<u>Density Cell:</u> 1 - \$60.39/Month 2 - \$116.97/Month 3 - \$151.28/Month
------------------	---

Unbundled Loops – Ohio

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$15.73/Month
2 Wire Digital Loop	<u>Density Cell:</u> 1 - \$15.73/Month

Unbundled Loops – Oregon

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$14.36/Month 2 - \$25.83/Month 3 - \$50.16/Month
2 Wire Digital Loop	<u>Density Cell:</u> 1 - \$14.36/Month 2 - \$25.83/Month 3 - \$50.16/Month

Unbundled Loops – Pennsylvania (Verizon Pennsylvania Inc.)

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$12.39/Month 4 - \$22.39/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$13.90/Month 4 - \$23.66/Month

Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$13.54/Month 2 - \$16.26/Month 3 - \$19.36/Month 4 - \$28.11/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$12.39/Month 4 - \$22.39/Month

Unbundled Loops - Pennsylvania (Verizon North Inc.)

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 3 - \$12.39/Month 4 - \$22.39/Month
2 Wire Digital Loop	<u>Density Cell:</u> 3 - \$12.39/Month 4 - \$22.39/Month

Unbundled Loops - Rhode Island

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.19/Month 2 - \$15.44/Month 3 - \$19.13/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$24.92/Month 2 - \$31.74/Month 3 - \$28.73/Month
Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.19/Month 2 - \$15.44/Month 3 - \$19.13/Month

2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$11.19/Month 2 - \$15.44/Month 3 - \$19.13/Month
---------------------------------	---

Unbundled Loops -- South Carolina

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$18.00/Month
2 Wire Digital Loop	<u>Density Cell:</u> 1 - \$18.00/Month

Unbundled Loops -- Texas

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$13.63/Month 2 - \$35.45/Month 3 - \$78.77/Month
2 Wire Digital Loop	<u>Density Cell:</u> 1 - \$13.63/Month 2 - \$35.45/Month 3 - \$78.77/Month

Unbundled Loops -- Virginia (Verizon Virginia Inc.)

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.89/Month 2 - \$15.26/Month 3 - \$28.43/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$14.15/Month 2 - \$17.09/Month 3 - \$30.42/Month

Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$16.76/Month 2 - \$19.69/Month 3 - \$32.98/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$11.89/Month 2 - \$15.26/Month 3 - \$28.43/Month

Unbundled Loops - Virginia (Verizon South Inc.)

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$14.99/Month 2 - \$17.94/Month 3 - \$24.44/Month
2 Wire Digital Loop	<u>Density Cell:</u> 1 - \$14.99/Month 2 - \$17.94/Month 3 - \$24.44/Month

Unbundled Loops - Vermont

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$21.63/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$13.27/Month 2 - \$16.08/Month 3 - \$51.60/Month
Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$21.63/Month

Attachment 2 to Amendment to Interconnection Agreements

Terms and Conditions

- A. From the Effective Date through May 31, 2008, Verizon shall bill, and AT&T shall pay, the monthly recurring DS0 loop charges set forth in Appendix A to this Attachment 2, which charges shall replace the monthly recurring DS0 loop charges previously set forth in the Agreement for the same loop types in the same service territories. Appendix A to this Attachment 2 may contain rates and charges for (and/or reference) services, facilities, arrangements and the like that Verizon does not have an obligation to provide under the Agreement (e.g., services, facilities, arrangements and the like for which an unbundling requirement does not exist under 47 U.S.C. Section 251(c)(3)). Notwithstanding any such rates and/or charges (and/or references) and, for the avoidance of any doubt, nothing in this Amendment shall be deemed to require Verizon to provide such a service, facility, arrangement or the like that the Agreement does not otherwise require Verizon to provide, or to provide such a service, facility, arrangement or the like upon terms or conditions other than those that may be required by the Agreement.
- B. From the Effective Date through May 31, 2008, the discount rates applicable to the services that Verizon is required to make available to AT&T for resale pursuant to the Interconnection Agreements or Applicable Law shall be those discount rates set forth in Appendix B to this Attachment 2, notwithstanding any other resale discount rates that may go into effect in a particular state, whether by virtue of a change of law or pursuant to a tariff filed by Verizon. For the avoidance of doubt, this Amendment does not affect which services Verizon is obligated to provide to AT&T for resale under the Interconnection Agreements or Applicable Law, but only the discount rate at which Verizon makes any such resale service available under Section 251(c)(4) of the Act.
- C. Notwithstanding any other provision of the Interconnection Agreements, this Amendment, any applicable tariff or SGAT, or otherwise, the terms contained herein shall govern the relationship of the Parties with respect to the subject matter set forth herein, through May 31, 2008, and thereafter as well until such time as such terms are superseded by a subsequent Interconnection Agreement or Interconnection Agreement amendment effective after May 31, 2008. In case of the expiration or termination of an Interconnection Agreement prior to May 31, 2008, the terms contained herein shall nevertheless continue to remain in effect through May 31, 2008 and thereafter until such time as such terms are superseded by a subsequent Interconnection Agreement effective after May 31, 2008.

2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1B - \$11.31/Month
---------------------------------	--

Unbundled Loops – District of Columbia

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.00/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$17.52/Month
Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.00/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$17.52/Month

Unbundled Loops – Delaware

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.00/Month 2 - \$13.13/Month 3 - \$16.67/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$11.68/Month 2 - \$14.70/Month 3 - \$18.21/Month
Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$13.13/Month 3 - \$16.67/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$11.68/Month 2 - \$14.70/Month 3 - \$18.21/Month

Unbundled Loops – Massachusetts

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.00/Month 2 - \$11.37/Month 3 - \$15.41/Month 4 - \$24.32/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$13.30/Month 2 - \$12.93/Month 3 - \$17.96/Month 4 - \$29.50/Month
Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.37/Month 3 - \$15.41/Month 4 - \$24.32/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.37/Month 3 - \$15.41/Month 4 - \$24.32/Month

Unbundled Loops – Maryland

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Rate Group</u> A1 - \$11.00/Month A2 - \$11.00/Month B1 - \$21.92/Month B2 - \$14.45/Month
ISDN BRI Loop	<u>Rate Group</u> A1 - \$12.38/Month A2 - \$12.62/Month B1 - \$24.20/Month B2 - \$16.73/Month

Unbundled Loops – Michigan

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$23.98/Month
2 Wire Digital Loop	<u>Density Cell:</u> 1 - \$23.98/Month

Unbundled Loops – Nevada

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$27.41/Month
2 Wire Digital Loop	<u>Density Cell:</u> 1 - \$27.41/Month
2-Wire Channelized Additional Cost of Unbundling	<u>Density Cell:</u> 1 - \$12.45/Month
ISDN-BRI Loop	<u>Density Cell</u> 1 - \$59.77/Month
ISDN-BRI Channelized Additional Cost of Unbundling	<u>Density Cell:</u> 1 - \$36.50/Month
ADSL High Capacity Loop	<u>Density Cell:</u> 1 - \$75.22/Month

Unbundled Loops – New Hampshire

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.97/Month 2 - \$16.04/Month 3 - \$25.00/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$31.63/Month 2 - \$33.41/Month 3 - \$63.74/Month

Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.97/Month 2 - \$16.04/Month 3 - \$25.00/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$11.97/Month 2 - \$16.04/Month 3 - \$25.00/Month

Unbundled Loops – New Jersey

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$11.82/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$12.13/Month 2 - \$13.74/Month 3 - \$15.14/Month
Customer Specified Signaling - 2-Wire	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$11.82/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$11.82/Month

Unbundled Loops – New York

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1A - \$11.00/Month 1B - \$11.31/Month 2 - \$15.51/Month

ISDN BRI Loop	<u>Density Cell:</u> 1A - \$11.93/Month 1B - \$16.70/Month 2 - \$22.70/Month
Customer Specified Signaling - 2-Wire Ground Start	<u>Density Cell:</u> 1A - \$11.00/Month 1B - \$14.21/Month 2 - \$18.42/Month
Customer Specified Signaling - 2-Wire Reverse Battery	1A - \$12.47/Month 1B - \$16.04/Month 2 - \$20.25/Month
Customer Specified Signaling - 2-Wire EBS	1A - \$23.98/Month 1B - \$27.47/Month 2 - \$31.72/Month
2 Wire ADSL/HDSL/IDSL/SDSL Loop	<u>Density Cell:</u> 1A - \$11.00/Month 1B - \$11.31/Month 2 - \$15.51/Month

Unbundled Loops -- North Carolina

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$19.68/Month 2 - \$38.12/Month 3 - \$49.31/Month
ISDN-BRI Loop	<u>Density Cell:</u> 1 - \$42.92/Month 2 - \$83.13/Month 3 - \$107.51/Month
2 Wire ADSL/IDSL/SDSL Loop	<u>Density Cell</u> 1 - \$54.02/Month 2 - \$104.62/Month 3 - \$135.31/Month

2 Wire HDSL Loop	<u>Density Cell:</u> 1 - \$60.39/Month 2 - \$116.97/Month 3 - \$151.28/Month
------------------	---

Unbundled Loops – Ohio

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$15.73/Month
2 Wire Digital Loop	<u>Density Cell:</u> 1 - \$15.73/Month

Unbundled Loops – Oregon

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$14.36/Month 2 - \$25.83/Month 3 - \$50.16/Month
2 Wire Digital Loop	<u>Density Cell:</u> 1 - \$14.36/Month 2 - \$25.83/Month 3 - \$50.16/Month

Unbundled Loops – Pennsylvania (Verizon Pennsylvania Inc.)

<u>Service or Element Description:</u>	<u>Recurring Charges:</u>
2 Wire Analog (POTS) Loop	<u>Density Cell</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$12.39/Month 4 - \$22.39/Month
ISDN BRI Loop	<u>Density Cell:</u> 1 - \$11.00/Month 2 - \$11.00/Month 3 - \$13.90/Month 4 - \$23.66/Month